Minn. Stat. § 13D.021 – Meeting by Telephone or Other Electronic Means; Conditions - Minn. Stat. § 13D.021 provides that a meeting of a public body may be conducted via telephone or other electronic means if meeting in a public location is not practical or prudent because of a health pandemic or declared emergency.

CITY COUNCIL MINUTES
COUNCIL CHAMBERS TUESDAY, AUGUST 25, 2020 6:00 PM

This meeting was also able to be accessed via Zoom.com due to the COVID-19 Pandemic in accordance with Minn. Stat. § 13D.02., which provides that a meeting of a public body may be conducted via telephone or other electronic means if meeting in a public location is not practical or prudent because of a health pandemic or declared emergency. Dial-In Information: 1 312 626 6799; Meeting ID: 879 9226 1507

Call to Order/Roll Call/Pledge of Allegiance
The meeting was called to order by Mayor Voracek at 6:00 pm. Mayor Voracek, Councilors Peter van Sluis, Royal Ross, Tom Spooner, Janna Viscomi and Jon Wood attended the meeting in-person. Councilor Elizabeth Cap attended via Zoom. Also in attendance were City Administrator Tim Murray, Assistant to the City Administrator Heather Slechta, Community and Economic Development Director Deanna Kuennen, City Engineer Mark DuChene, Planning Coordinator Peter Waldock, Police Chief Andy Bohlen, Fire Chief Dustin Dienst, Parks and Recreation Director Paul Peanasky, and Human Resources Manager Kevin Bushard.

Presentations/Introductions – None

Approve minutes of August 12, 2020 Regular Council Meeting (majority vote)
Motion by Ross, seconded by Spooner to approve the minutes of the August 12, 2020 Regular Council Meeting.

Roll Call Vote:
Aye: Cap, Ross, van Sluis, Spooner, Viscomi, Wood and Mayor Voracek
Nay:
Motion carried 7:0

Consent Agenda:
A. List of bills to be paid
B. Approve Revised Police Department Policy 305 – Responding to Reports of Missing & Endangered Persons
C. Resolution 2020-123 Accept Donations to Faribault Parks and Recreation Department
D. Approve Tree Quote for Boulevard Trees
E. Approve Verizon Wireless Request to Install Wireless Equipment
F. Resolution 2020-124 Approve Tobacco License for Midwest Tobacco and Vapor
G. Resolution 2020-132 Accept Fire Department Donation from the Noah Goodwin Memorial
H. Resolution 2020-133 Approve Establishment of School Zone Speed Limits
I. Resolution 2020-134 Declare Cost to be Assessed and Establish Special Assessment Hearing
for 2020 Street Overlay and Sidewalk Improvements – Contract 2020-02
J. Approve Quote to Replace Parks and Recreation Department Registration Software
K. Approve 1-4 Day Temporary License for the Faribault Area Chamber of Commerce and Tourism
L. Resolution 2020-136 Suspension of On-Sale and Sunday Liquor License for Al’s Place Doing Business as Grampa Al’s
M. Approve Appointment of Committee, Board, and Commission Member
N. Approve 2020 CARES Act Grant Agreement with Rice County for 2020 Elections
O. Resolution 2020-137 Order Improvements and Establish Bid Date for Faribault Family Aquatic Center Resurfacing

Motion by van Sluis, seconded by Spooner to approve Consent Agenda Items A-O.

Roll Call Vote:
Aye: Cap, Ross, van Sluis, Spooner, Viscomi, Wood and Mayor Voracek
Nay:
Motion carried 7:0

Requests to be Heard – None

Public Hearings – None

Items for Discussion
Resolution 2020-125 Terminating an Interim Use Permit for an Outdoor Display Area at 3701 Hwy 60 W in the C-2 Highway Commercial District

City Planning Coordinator Peter Waldock informed the Council that the City has received numerous complaints regarding 3701 Hwy 60 W. According to the complaints, the site appears to be over crowded with sheds on display at the site, U-Haul vehicles parked on the grass, and signs encroaching into the State Highway right of way. In response to the complaints, City staff visited the site on two occasions once on April 20, 2020 and again the week of June 24, 2020, and spoke to the business operator for Old Hickory Buildings at the site during each visit.

During the site visits the business owner was informed of the complaints received by the City and was asked to reduce the number of buildings on display in order to conform to the approved interim use permit. It was suggested that number of sheds on site be reduced to the minimum necessary for their business. They were also asked not to park U-Haul trailers or trucks on the grass. At the time of each site visit over 20 sheds, not located per the approved site plan, were noted on site as well as five or more U-Haul vehicles.

The application for an interim use permit included a site plan showing a single row of ten sheds along Highway 60. The application did not include mention of or show the addition of a U-Haul rental operation on this site. Resolution 2020-015, approved by the City Council on January 28, 2020 to approve the interim use permit included the site plan provided with the application as an exhibit. The resolution states that the request is approved in accordance with the site plan.

Section 2-410 of City’s Unified Development Ordinance states that an approved interim use shall terminate upon the occurrence of “Any violation of the conditions under which the interim use was approved”. Due to the finding of non-compliance by the business noted when responding to continued complaints, following requests to the business to comply with the site plan by taking such action as reducing the number of sheds displayed on site, a resolution to terminate the interim use permit approved for the site at 3701 Hwy 60 W is being brought to City Council for consideration.

It is noted that shed sales and U-Haul rentals are permitted uses in the C-2 Highway Commercial
District. The IUP in this case granted a temporary waiver of Unified Development Ordinance (UDO) requirements for Outdoor Sales Displays in the front yard to be placed on a paved surface. The UDO also requires properties to meet current requirements for parking lots, signage, and landscaping when there is a change of use.

If the resolution to terminate the interim use permit is approved, the existing businesses will be required to meet current ordinances for outside displays to be placed on a paved surface. The sheds displayed for sale at the site cannot reduce the number of parking spaces available on site for customers and employees. The City’s site plan requirements of the Unified Development Ordinance would be applicable to any pavement expansion.

Councilor Royal Ross recused himself from the discussion as a member of the Council but addressed the Council as a representative of the property owner and business owner.

Mr. Ross explained to the Council that the site plan requested a sales display lot, and only was meant to show the boundaries. The U-Haul business was not included in the IUP application because there is enough pavement and inside storage. Mr. Ross also explained that the IUP was done for duration of the lease, which will expire in March of 2021.

Janell Siegfried stated that her family has owned the property since the 1970s—they have worked with the City on road developments in the past and are committed to the City. She stated that it was great that City granted the IUP, that allowing the sheds to be on grass rather than pavement as there is reduced runoff of stormwater. Ms. Siegfried also stated that Old Hickory Buildings is not the type of business that needs to have the landscaping and pavement that would be required without the IUP. Ms. Siegfried was unaware of any complaints about the business and did not have an opportunity to address the issues. She did not believe that the site plan was a literal drawing with a ten-shed limit, Ms. Siegfried stated that Mr. Tripp has maintained the property all summer and kept it very neat. She was unaware that they needed permission for U-Hauls and trailers to operate. The vehicles that were parked behind buildings on gravel and some on grass, moved them from the private property, get specific guidelines in writing we are all clear on the same page.

Pat Tripp, business owner explained that he currently has six sheds on the property and once he was notified of the parking concerns with the U-Hauls he moved them to be in compliance. Mr. Tripp also informed the Council that his business was deemed essential through the pandemic as his sheds can be used at COVID-19 testing sites.

Matt Drevlow, Attorney for KGP informed the Council that KGP has no animosity towards Old Hickory Buildings, but did take issue with the way this was approved, as it should have gone through the variance process rather than an IUP. KGP has invested significantly in its building, and felt that Old Hickory Buildings, U-Haul rental and truck sales is an unappealing gateway to the City and their business, and overall it is not a good fit to the area. Councilor Spooner asked Mr. Drevlow why he did not attend the meetings that this was discussed at, Mr. Drevlow stated that he was unaware of the meetings.

Councilor Cap asked Mr. Ross if he made the property owner and business owner aware of reasons that the IUP could be terminated, Mr. Ross did in fact make them aware that it would terminate in 2022 or upon conclusion of the lease in March of 2021.

Councilor Viscomi was in favor of the original IUP, however is disappointed that they are not a good neighbor, there are no walkways to the sheds and requested more of a plan. Viscomi was still in support of Old Hickory Buildings, and requested staff to work out a compromise.

City Administrator Tim Murray stated that at minimum there should be an amendment to the IUP with
all the uses included. Murray also informed the Council that while the code does not dictate a number, the site plan is attached to the approving resolution for this IUP and the resolution stated the operation will be in accordance with the site plan. Not in general accordance or in the general parameters of the site plan. The site plan shows a single row of sheds being displayed, set back from the highway right of way and does not show any U-Haul rental operation or any used vehicles for sale either.

Mayor Voracek stated that although he loves the new business he was taken aback by all the things out there, it was not what he envisioned it would look like. Councilor van Sluis requested that staff work with the property owners to see what can be done. Viscomi questioned if this business is similar to Mac Shacks, Waldock explained that that business is located on a former go-cart track and the trailers are parked on the pavement.

Motion by Cap to approve Resolution 2020-125 Terminating an Interim Use Permit for an Outdoor Display Area at 3701 Hwy 60 W in the C-2 Highway Commercial District.

Motion failed due to lack of second.

Motion by Wood, seconded by Viscomi to table Resolution 2020-125 Terminating an Interim Use Permit for an Outdoor Display Area at 3701 Hwy 60 W in the C-2 Highway Commercial District for further discussion.

Roll Call Vote:
Aye: van Sluis, Spooner, Viscomi, Wood and Mayor Voracek
Nay: Cap
Motion carried 5:1 with Cap voting Nay and Ross recusing himself

Resolution 2020-126 Approving Establishment of the Faribault CARES Non-Profit Grant Policy and Program Guidelines; Resolution 2020-127 Authorizing $200,000 of CARES Act Funding to Provide Direct Housing Assistance to Qualified Faribault Households, and; Resolution 2020-135 Approving Establishment of the Faribault Small Business Relief Fund Round 2 – Policy and Program Guidelines Community and Economic Development Director Deanna Kuennen explained that at the August 18, 2020 City Council Joint Committee Meeting, Kuennen presented to Council for discussion, a Faribault CARES Non-Profit Grant program. Kuennen explained that nonprofits have lost revenue due to executive orders that required closures, had to close voluntarily to encourage social distancing, and were required to abide by the same executive orders that resulted in closed doors, loss of revenue, cancellation of fundraising events, increased demand, etc.

The Faribault CARES Non-Profit Grant program will provide one-time financial support of up to $20,000 per nonprofit organization serving the Faribault community, with a total allocation of $400,000 from the City's CARES Act funding. The grant program will help offset operating expenses and losses, and provide funding for PPE, rent/lease payments, mortgage payments, utilities, payment to supplies, and other non-payroll expenses.

The City Council supported the overall intended purpose of the program and proposed guidelines presented at the August 18, 2020 City Council Joint Committee Meeting, and recommended that slight modifications be made to the scoring/measurement. The Faribault CARES Non-Profit Grant Policy and Guideline incorporate the Council direction and reflects the federal rules and regulations associated with the CARES Act funding. If approved, online applications will be available on the City's website, and the application period will be open from August 28 - September 11, 2020. Each application will be time-stamped, reviewed for eligibility, and forwarded to the Finance Committee for review at the September 15, 2020 meeting. The Finance Committee will make final funding recommendations to the City Council for consideration at their September 22, 2020 meeting.
Also, at the August 18, 2020 City Council Joint Committee Meeting, Staff presented to the Council, for discussion, a proposal to partner with Three Rivers Community Action Council to distribute direct assistance to qualifying individuals/families directly impacted by a loss of income due to COVID-19 and who are overdue with rent/mortgage and/or are facing eviction, foreclosure, or homelessness. Three Rivers Community Action Council has already been awarded $2,000,000 by the State of Minnesota to implement the COVID-19 Housing Assistance Program (CHAP) to eligible households within its service area including Faribault. Three Rivers Community Action Council would add the City’s allocation of $200,000 to these funds, distributing the funds to support only Faribault households who meet the CHAP program requirements. Three Rivers Community Action Council has the system infrastructure necessary to process assistance, already has program guidelines in place, has qualified and available staff to administer the program, and has interpreters to assist all households who are applying for assistance. Furthermore, they will distribute the funds only to eligible Faribault households at no fee to the City. The funding will be distributed based on the CHAP guidelines. Three Rivers Community Action Council estimates that the average assistance per household would be $3,000, which would allow almost 70 additional households to be served with the City’s $200,000 allocation.

The final CARES Act dollars grant program that the Joint Committee discussed at their August 18, 2020 meeting was program guidelines for a Round 2 small business relief program. Round 2 would focus on sole-proprietors and home-based businesses, which were not eligible for the initial program approved and implemented by the City Council. The City Council supported the program guidelines as presented recognizing that using a portion of the City’s CARES Act funding for this public purpose not only meets the federal guidelines, but also has the likelihood of having positive long-term impacts on the community by assisting even the city’s smallest businesses, so that they can remain open and viable, weathering this economic crisis.

The Faribault Small Business Relief Fund Round 2 – Policy and Program Guidelines reflect the federal rules and regulations associated with the CARES Act. Online applications will be available on the City’s website, and the application period will be from August 28- September 11, 2020. Each application will be time-stamped, and funding awards will be based on a first-come, first-served basis for applications that meet the funding criteria and are considered eligible. Staff will make funding recommendations to City Council at their September 22, 2020 meeting.

Councilor Spooner asked if the number of required employees are full-time or part-time for the non-profit program, Kuennen stated that it did not matter. Spooner felt that the 20-50 employee threshold was very high. Councilor Ross thought staff did a great job putting this together, he questioned why the housing program was just an estimated rather than a set amount, Kuennen explained that Three-Rivers will distribute the dollars in accordance with CHAP guidelines, and the money can only be used to pay bills, for example Three Rivers would write a check out to the mortgage company not the individual.

Motion by van Sluis, seconded by Cap to approve Resolution 2020-126 Approving Establishment of the Faribault CARES Non-Profit Grant Policy and Program Guidelines

Spoonер requested that the policy be amended. Spooner would like to see less emphasis on the number of employees, since some non-profits have no employees and it would be difficult to find a non-profit with nineteen employees in Faribault. Spooner requested that the Funding/Award Amount section of the policy be adjusted to state that 0 employees would receive $0.00, 1-8 employees receive $2,000.00 and 9-50 employees receive $3,000.00.

van Sluis withdrew his motion.

Motion by van Sluis, seconded by Ross to approve Resolution 2020-126 Approving Establishment of the Faribault CARES Non-Profit Grant Policy and Program Guidelines as amended.
Roll Call Vote:
Aye: Cap, Ross, van Sluis, Spooner, Viscomi, Wood and Mayor Voracek
Nay:
Motion carried 7:0

Motion by Ross, seconded by Cap to approve Resolution 2020-127 Authorizing $200,000 of CARES Act Funding to Provide Direct Housing Assistance to Qualified Faribault Households.

Roll Call Vote:
Aye: Cap, Ross, van Sluis, Spooner, Viscomi, Wood and Mayor Voracek
Nay:
Motion carried 7:0

Motion by Ross, seconded by Viscomi to approve Resolution 2020-135 Approving Establishment of the Faribault Small Business Relief Fund Round 2 – Policy and Program Guidelines.

Roll Call Vote:
Aye: Cap, Ross, van Sluis, Spooner, Viscomi, and Mayor Voracek
Nay:
Motion carried 6:0 with Councilor Wood abstaining

Resolution 2020-128 Approving a Conditional Use Permit for a Garage Addition at 1021 Division St. E

City Planning Coordinator Peter Waldock explained that Mr. and Mrs. Tesch requested to expand the detached garage at their home at 1021 Division St. E. The garage has an existing lean-to addition that they now wish to expand. The lean-to is being updated to match garage and the house with similar vinyl siding and matching shingles. The addition will be 300 SF and the existing garage is 720 SF. Total size of the garage after the addition is complete will be 1020 SF. The Zoning Code allows garages of up to 864 SF by right, an extra 25% of building area can be approved with a Conditional Use Permit for maximum of 1080 square feet.

On August 17, 2020, the Planning Commission held a public hearing on this application. No one from the public spoke regarding this matter. City staff received no comments from the public regarding this application. The Planning Commission by a vote of 6-0 approved the findings for approval of the Conditional Use Permit as requested subject to the conditions of approval as listed in proposed resolution

Councilor Cap questioned the site plan property line measurements. Waldock explained that they are just squaring off the lean-to, so it is not critical, all set backs are being met. Cap also asked why a professional site survey is not required, Mayor Voracek explained that one could be at the time the building permit is pulled if it is near the property lines, Cap stated that it has to be a standard.

Motion by Viscomi, seconded by Spooner to approve Resolution 2020-128 Approving a Conditional Use Permit for a Garage Addition at 1021 Division St. E.

Roll Call Vote:
Aye: Cap, Ross, van Sluis, Spooner, Viscomi, Wood and Mayor Voracek
Nay:
Motion carried 7:0

Bids
Resolution 2020-130 Accept Bids for 2020 Sanitary Sewer Lining Project – Contract 2020-07
City Engineer Mark DuChene explained that on Wednesday, August 19, 2020 bids were received for the proposed 2020 Sanitary Sewer Rehabilitation Project-Contract 2020-07, including cleaning, televising and installing a cured in place pipe liner in existing sanitary sewer mains and related improvements.

The sewer mains proposed to be included in this project are as follows:

- 12th Street NW (Jennie-O Turkey Store Area)
- 17th Street NW (West Side of TH 21 to Mill City)
- 1st Avenue NW (14th Street NW to 7th Street NW)
- Fowler Street (Francis Street to 250’ south of Flynn St)

The bids were tabulated as follows:

<table>
<thead>
<tr>
<th>Contractor</th>
<th>Bid Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Granite Inliner, LLC, Hugo, MN</td>
<td>$274,822.00</td>
</tr>
<tr>
<td>InSituform Technologies USA, LLC, Chesterfield, MO</td>
<td>$286,221.90</td>
</tr>
<tr>
<td>Hydro-Klean, Des Moines, IA</td>
<td>$295,015.10</td>
</tr>
<tr>
<td>Michels Corporation, Brownsville, WI</td>
<td>$349,475.00</td>
</tr>
<tr>
<td>Visu-Sewer, Pewaukee, WI</td>
<td>$398,820.20</td>
</tr>
<tr>
<td>Engineer’s Estimate</td>
<td>$483,050.00</td>
</tr>
</tbody>
</table>

The estimated funding for the project will be from the Sanitary Sewer Utility Fund. It is anticipated that construction will be completed by the end of December. DuChene briefly explained the process of how the pipe liner is installed.

Motion by Cap, seconded by van Sluis to approve Resolution 2020-130 Accept Bids for 2020 Sanitary Sewer Lining Project – Contract 2020-07.

Roll Call Vote:
Aye: Cap, Ross, van Sluis, Spooner, Viscomi, Wood and Mayor Voracek
Nay:
Motion carried 7:0

Resolution 2020-131 Accept Bids for 2020 City Wide Storm Sewer Improvements – Contract 2020-09

City Engineer Mark DuChene explained that on Wednesday, August 19, 2020 bids were received for the proposed 2020 City Wide Storm Sewer Improvement Project – Contract 2020-09, including removals, storm sewer, grading, paving, restoration and related improvements.

The three areas for the proposed storm sewer improvements proposed to be included in this project are as follows:

- Babbitt Court Storm Sewer Outfall
- Faribault Middle School Culvert Trail Crossing
- Four Seasons/Middle School Trail Storm Sewer Improvement

The bids were tabulated as follows:

<table>
<thead>
<tr>
<th>Contractor</th>
<th>Bid Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>R.A.W. Construction, Faribault, MN</td>
<td>$133,300.95</td>
</tr>
<tr>
<td>Heselton Construction, Faribault, MN</td>
<td>$178,330.95</td>
</tr>
<tr>
<td>JJD Companies, LLC, Blooming Prairie, MN</td>
<td>$184,069.50</td>
</tr>
<tr>
<td>BCM Construction, Inc., Faribault, MN</td>
<td>$187,770.50</td>
</tr>
<tr>
<td>Pember Companies, Inc., Menomonie, WI</td>
<td>$209,946.25</td>
</tr>
<tr>
<td>Wencl Construction, Inc., Owatonna, MN</td>
<td>$218,005.00</td>
</tr>
<tr>
<td>Engineer’s Estimate</td>
<td>$191,465.00</td>
</tr>
</tbody>
</table>
Based on the low bidder's prices, the estimated funding for the project is as follows including contingencies and engineering fees:

<table>
<thead>
<tr>
<th>Fund</th>
<th>Amount</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Storm Water Utility Fund (603)</td>
<td>$150,000.00</td>
<td>88.2%</td>
</tr>
<tr>
<td>Park Improvement Fund (404)</td>
<td>$20,000.00</td>
<td>11.8%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$170,000.00</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>

It was recommended to award to the low bidder, RAW Construction. It is anticipated that the construction will start in September and be completed by the end of November.

Councilor Cap asked about the bike trail and culvert placement, and if the Park Board was consulted, DuChene explained that Park Staff was consulted and are doing some in-kind work on the project. Cap also asked why culverts were being used. DuChene explained that it is the most economical way to do the project. DuChene also informed the Council that Rice County Soil and Water Conservation reviewed the plans and since there were no changes, it was approved. Cap encouraged residents to adopt a storm water drain to help with stormwater.

**Boards and Commissions Reports, Announcements and Project Updates**

The Monthly Financial Report was provided to the Council as part of the meeting packet.

Councilor van Sluis stated the Evergreen Knoll apartment project removed all of the trees from the site.

Councilor Cap asked if city gateway signs would be discussed again. Mayor Voracek informed her that the Chamber is working on the project. Councilor Spooner is on the gateway signs taskforce and informed the Council that COVID-19 put the brakes on the project for the time being.

Councilor Viscomi along with Ross and Cap would support discussing liquor license fee reductions for 2021 at a future meeting.

Mayor Voracek thanked Hormel for their generous offering to its employees and their dependents. Hormel will pay for a 2-year college degree from a local community college.

**Adjournment**

Motion by Cap, seconded by Spooner to adjourn the Council Meeting.

Roll Call Vote:

Aye: Cap, Ross, van Sluis, Spooner, Viscomi, Wood and Mayor Voracek

Nay:

Motion carried 7:0

Meeting adjourned at 7:45 pm

Respectfully Submitted,

Heather Slechta
Assistant to the City Administrator